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EXHIBIT A

Sedgwick_{LLP}

DISCLOSURE NOTICE

TERRORISM RISK INSURANCE ACT OF 2002

On December 26, 2007, the President of the United States signed into law amendments to the Terrorism Risk Insurance Act of 2002 (the "Act"), which, among other things, extend the Act and expand its scope. The Act establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in the Act) caused by "acts of terrorism". An "act of terrorism" is defined in Section 102(l) of the Act to mean any act that is certified by the Secretary of the Treasury - in concurrence with the Secretary of State and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The federal government's share of compensation for Insured Losses is 85% of the amount of Insured Losses in excess of each Insurer's statutorily established deductible, subject to the "Program Trigger", (as defined in the Act). In no event, however, will the federal government or any Insurer be required to pay any portion of the amount of aggregate Insured Losses occurring in any one year that exceeds \$100,000,000,000, provided that such Insurer has met its deductible. If aggregate Insured Losses exceed \$100,000,000,000 in any one year, your coverage may therefore be reduced.

The premium charge shown below is for coverage under this policy for insured losses covered by the Act. This terrorism premium does not include any charges for the portion of insured losses covered by the federal government under the Act.

If \$0 is shown below for the certified acts of terrorism premium charge, this policy provides such terrorism coverage for no premium charge.

The certified acts of terrorism premium charge shown below applies to all coverage under this policy for Insured Losses covered by the Act that you purchased for a premium charge. For any insuring agreement or coverage part for which you did not purchase such terrorism coverage, this policy may include one or more terrorism exclusions that apply to certified acts of terrorism. Under the federal Terrorism Risk Insurance Program Reauthorization Act of 2007, the applicable definition of certified acts of terrorism no longer requires that the act of terrorism be committed on behalf of a foreign person or foreign interest. Therefore, each such exclusion is not limited to an act of terrorism committed on behalf of a foreign person or interest.

Name of Insured: VENDINI, INC.

Policy Number: ZLP-11R18933-12-I4

Effective Date: 09/11/12

Certified Acts Of Terrorism Premium Charge: \$901.00

Processing Date: 09/07/12 10:12 001

POLICY INFORMATION

THIS IS NOT A BILL.



YOUR POLICY IS DIRECTLY BILLED. IF THIS IS A POLICY CHANGE,
THE ADDITIONAL OR RETURN PREMIUM WILL BE SHOWN ON FUTURE
INSTALLMENT BILLINGS. IF ALL INSTALLMENTS HAVE BEEN BILLED,
THE PREMIUM CHANGE WILL BE BILLED OR CREDITED PROMPTLY.
A BILL WILL BE SENT TO:

THE INSURED

Company: ST. PAUL FIRE & MARINE INSURANCE COMPANY

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N
S
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R
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D
VENDINI, INC.
660 MARKET STREET
SUITE 400
SAN FRANCISCO CA 94104

Policy Inception/Effective Date: 09/11/12**Policy Number:**

ZLP-11R18933-12-I4

Agency Number: 0408122**Transaction Type:**

RENEWAL OF POLICY

Transaction Number: 001**Processing Date:** 09/07/12 10:12

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T
WOODRUFF-SAWYER & CO
50 CALIFORNIA ST FL 12
SAN FRANCISCO CA 94111

Policy Number	Description	Amount	Surtax/ Surcharge
11R18933	SERIES 1000 POLICY	\$10,179.00	
11R18933	UMBRELLA EXCESS LIABILITY	\$2,645.00	

THIS POLICY IS FULL PAY.
A PAYMENT SCHEDULE/BILL WILL FOLLOW SHORTLY.

INSURED COPY

INSURED COPY

**IMPORTANT NOTICE - INDEPENDENT AGENT AND BROKER
COMPENSATION**

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

For information about how Travelers compensates independent agents and brokers, please visit www.travelers.com, call our toll-free telephone number, 1-866-904-8348, or you may request a written copy from Marketing at One Tower Square, 2GSA, Hartford, CT 06183.

WHY YOU SHOULD REPORT LOSSES TO US PROMPTLY

Reporting new losses, claims, or potential claims to us promptly can be critical. It helps us to resolve covered losses or claims as quickly as possible and often reduces their overall cost. Prompt reporting:

- Better protects your interests.
- Helps us to try to resolve losses or claims more quickly and to everyone's satisfaction - yours, any claimant's and ours.

Use the What To Do If You Have A Loss form that is a part of your policy to help you promptly report losses, claims, or potential claims. That form outlines the information that must normally be submitted as part of the reporting process. It describes the duties you and other persons or organizations protected under your policy have if your policy provides:

- *Property protection and there is a loss that may be covered under that protection; or*
- *Liability protection and an accident, act, error, event, incident, offense, or omission happens or is committed that may result in liability damages or other amounts which may be covered under that protection.*

To report losses, claims, or potential claims to us, we can be contacted easily and quickly through our Web site.

WWW.TRAVELERS.COM

Our online site for reporting losses, claims, and potential claims has been designed to be as simple and user-friendly as possible. In fact, the site can even remember key information so that you don't have to continually re-enter the same data over and over again. If you report your loss, claim, or potential claim online, you will immediately receive a claim tracking number and be able to print a copy of the report for your records.

You can also report losses, claims or potential claims to us by phone, unless your policy requires written notice or reporting.

1-800-238-6225

When reporting a loss, claim, or potential claim by phone, our toll-free phone number is the only number you will need to know. Available 24 hours a day, seven days a week, our call center representatives will transmit your information to a claim representative who understands your business.

This is a general description of how to report a loss, claim, or potential claim under your policy. This description does not replace or add to the terms of your policy. Your policy alone determines the scope of your insurance protection. Please read it carefully for complete information on your coverage. You should contact your agent or broker if you have any questions about your coverage.

POLICY NUMBER: ZLP-11R18933-12-I4

COMMERCIAL AUTO
ISSUE DATE: 09/11/12

CALIFORNIA AUTO BODY REPAIR CONSUMER BILL OF RIGHTS

Named Insured/Applicant: VENDINI, INC.

Company: ST. PAUL FIRE & MARINE INSURANCE COMPANY

A CONSUMER IS ENTITLED TO:

1. SELECT THE AUTO BODY REPAIR SHOP TO REPAIR AUTO BODY DAMAGE COVERED BY THE INSURANCE COMPANY. AN INSURANCE COMPANY SHALL NOT REQUIRE THE REPAIRS TO BE DONE AT A SPECIFIC AUTO BODY REPAIR SHOP.
2. AN ITEMIZED WRITTEN ESTIMATE FOR AUTO BODY REPAIRS AND, UPON COMPLETION OF REPAIRS, A DETAILED INVOICE. THE ESTIMATE AND THE INVOICE MUST INCLUDE AN ITEMIZED LIST OF PARTS AND LABOR ALONG WITH THE TOTAL PRICE FOR THE WORK PERFORMED. THE ESTIMATE AND INVOICE MUST ALSO IDENTIFY ALL PARTS AS NEW, USED, AFTERMARKET, RECONDITIONED, OR REBUILT.
3. BE INFORMED ABOUT COVERAGE FOR TOWING AND STORAGE SERVICES.
4. BE INFORMED ABOUT THE EXTENT OF COVERAGE, IF ANY, FOR A REPLACEMENT RENTAL VEHICLE WHILE A DAMAGED VEHICLE IS BEING REPAIRED.
5. BE INFORMED OF WHERE TO REPORT SUSPECTED FRAUD OR OTHER COMPLAINTS AND CONCERNS ABOUT AUTO BODY REPAIRS.

COMPLAINTS WITHIN THE JURISDICTION OF THE BUREAU OF AUTOMOTIVE REPAIR

Complaints concerning the repair of a vehicle by an auto body repair shop should be directed to:

Toll Free (800) 952-5210
California Department of Consumer Affairs
Bureau of Automotive Repair
10240 Systems Parkway
Sacramento, CA 95827

The Bureau of Automotive Repair can also accept complaints over its web site at: www.autorepair.ca.gov

COMPLAINTS WITHIN THE JURISDICTION OF THE CALIFORNIA INSURANCE COMMISSIONER

Any concerns regarding how an auto insurance claim is being handled should be submitted to the California Department of Insurance at:

(800) 927-HELP or (213) 897-8921
California Department of Insurance
Consumer Services Division
300 South Spring Street
Los Angeles, CA 90013

The California Department of Insurance can also accept complaints over its web site at: www.insurance.ca.gov

**IMPORTANT NOTICE -
CLAIM REPORTING TELEPHONE NUMBER**

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

Report Claims Immediately by Calling *
1-800-238-6225

Speak directly with a claim professional
24 hours a day, 365 days a year

* Unless your policy requires written notice or reporting

**TECHNOLOGY VISIONPAK
INTRODUCTION**



This policy protects against a variety of losses. There are also some restrictions. We've written this policy in plain, easy-to-understand English. We encourage you to read it carefully to determine what is and what is not covered, as well as the rights and duties of those protected.

Policy Number: ZLP-11R18933-12-I4

GREENWOOD VILLAGE
SUITE 180
6060 S WILLOW DR
GREENWOOD VILLAGE CO 80111

In return for your premium, we'll provide the protection stated in this policy.

We, us, our, and ours mean **St. Paul Fire and Marine Insurance Company**. We're a capital stock company located in St. Paul, Minnesota.

The words you, your, and yours mean the insured named here, which is a

CORPORATION
VENDINI, INC.
660 MARKET STREET
SUITE 400
SAN FRANCISCO CA 94104

Your policy is composed of General Rules, an explanation of What To Do If You Have A Loss, one or more Coverage Summaries, and one or more Insuring Agreements explaining your coverage. It may also include one or more endorsements. Endorsements are documents that change your policy. The Policy Forms List shows all the forms included when this policy begins.

One of our authorized representatives will also countersign the policy.

This policy will begin on 09/11/12 and will continue until 09/11/13

Your former policy number is automatically replaced: VP09403776

Your premium for the policy period shown is: \$12,824.00

However, please refer to the Premiums section of the General Rules to see how final premiums are determined.

INCLUDES UMBRELLA EXCESS PREMIUM

Our authorized representative is:

0408122
WOODRUFF-SAWYER & CO
50 CALIFORNIA ST FL 12
SAN FRANCISCO CA 94111

Brian MacLean
President

Wendy C. Shyn
Secretary

Authorized Representative

Date

Processing Date 09/07/12 10:12 001

POLICY FORM LIST

Here's a list of all forms included in your policy, on the date shown below. These forms are listed in the same order as they appear in your policy.

Title	Form Number	Edition Date
Disclosure Notice Terrorism Risk Insurance Act Of 2002	D0100	03-09
Technology VisionPak Introduction (Fire & Marine)	VP021	03-99
Policy Form List	40705	05-84
General Rules	40701	08-03
California Required Endorsement	40769	06-11
Illinois Required Endorsement	40519	06-11
Massachusetts Required Endorsement	40735	01-08
Commercial Auto Required Endorsement - California	44270	06-11
What To Do If You Have A Loss	40814	08-03
Cap On Losses From Certified Acts Of Terrorism Endorsement	D0144	01-08
Premier Property Protection Employee Theft Welfare And Pension Plan Endorsement	F0147	12-04
Technology VisionPak Information Technology Premier Property Protection Coverage Summary	VP001	05-02
Technology VisionPak Information Technology Premier Property Protection Scheduled Locations Coverage Summary	VP002	03-99
Technology VisionPak Information Technology Premier Property Protection Additional Benefits Coverage Summary	VP003	01-02
Technology VisionPak Information Technology Premier Property Protection	VP004	01-02
Technology VisionPak Information Technology Premier Property Protection Blanket Earnings And Expense Coverage Summary	VP005	03-99
Technology VisionPak Information Technology Premier Property Protection Blanket Earnings And Expense Endorsement	VP006	01-02
Premier Property Protection Amendment To Blanket Earnings And Expense Endorsement	VP020	03-99
Property Protection Coverage Summary Continued - Equipment Breakdown Coverage	42497	08-90
Equipment Breakdown Endorsement	42486	08-90
Mold Or Bacteria Exclusion With Named Perils Exception Endorsement	F0295	04-02
Virus Or Bacteria Exclusion Endorsement	F0459	03-07
Property Protection Deductible And Unintentional Errors And Omissions Change Endorsement	F0423	07-05
Technology VisionPak Commercial General Liability Protection Coverage Summary	VP034	01-02
Technology VisionPak Commercial General Liability Protection Asbestos Exclusion Endorsement	VP033	01-02
Unsolicited Communication Exclusion Endorsement	G0468	03-02
Mobile Equipment Subject To Compulsory Or Financial Responsibility Insurance Laws Or Scheduled Under Your Auto...	G0692	08-04
Technology VisionPak Personal Injury And Advertising Injury Endorsement	G0719	12-04
Employee Benefit Plans Administration Liability Protection -Claims-Made Coverage Summary	VP037	09-06
	43532	01-96

Name of Insured	Policy Number ZLP-11R18933-12-I4	Effective Date 09/11/12
VENDINI, INC.		Processing Date 09/07/12 10:12 001

40705 Ed. 5-84

Form List

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TRV-POL 015

Employee Benefit Plans Administration Liability Protection	43475	01-96
-Claims-Made		
Employment-Related Practices Exclusion Endorsement -	L0436	09-01
Employee Benefit Plans Administration Liability		
Auto Coverage Summary	44460	04-91
Auto Coverage Summary - Continued	44462	04-91
Liability Protection For Autos You Don't Own	44471	04-91
Autos Rented By Employees Endorsement	A0173	12-99
Mobile Equipment Subject To Compulsory Or Financial	A0308	12-04
Responsibility Insurance Laws Redefined As Autos		
Endt.-Liab. Protect		
Auto Physical Damage Protection	44455	07-96
Technology Umbrella Excess Liability Protection Coverage	47273	07-01
Summary		
Umbrella Excess Liability Protection Schedule Of Basic	47123	04-91
Insurance		
Technology Umbrella Excess Liability Protection	47268	07-01
Asbestos Exclusion Endorsement - Umbrella Excess Liability	E0199	03-02
Unsolicited Communication Exclusion Endorsement - Umbrella	E0246	08-04
Excess Liability		
Auto Liability Limitation Endorsement - Umbrella Excess	47200	11-05
Liability		
Foreign Liability Limitation Endorsement Umbrella Excess	47229	04-91
Liability		
Mobile Equipment Subject To Compulsory Or Financial	E0273	12-04
Responsibility Insurance Laws Or Scheduled Under Your		
Auto...-UEL		
Control Of Property Exclusion Endorsement - Umbrella Excess	47216	03-96
Liability		
Excess Errors And Omissions Liability	47339	02-92
Protection-Claims-MadeCoverage Summary		
Excess Errors And Omissions Liability Protection-Claims-Made	47338	02-92

GENERAL RULES

This form contains various rules that apply to your policy. It and the rest of your policy should be read carefully to determine:

- the extent of the coverage provided by your policy; and
- the rights and duties of you and any other person or organization protected under your policy.

Table of Contents	Page	Policy Period
Special Rights And Duties Of The First Named Insured	1	Insuring agreements or endorsements in your policy begin on your policy's effective date at 12:01 a.m. at the address shown for you in the Introduction of your policy. But if your policy replaces a policy that ends at noon, rather than 12:01 a.m., coverage under your policy begins on your policy's effective date at noon at such address.
Policy Period	1	
Policy Changes	1	
Premiums	2	
Estimates.	2	
Additional or return premium.	2	
Your bill.	2	
Our Right To Inspect And Audit	3	
Cancellation	3	Insuring agreements or endorsements added to your policy after your policy's effective date begin on their respective effective dates at 12:01 a.m. at the address shown for you in the Introduction of your policy.
By the first named insured.	3	
By us.	3	
Return premium.	3	
Fraud And Misrepresentation	4	
If you commit fraud or misrepresentation.	4	Coverage under your policy ends on your policy's expiration date at 12:01 a.m. at the address shown for you in the Introduction of your policy. But if all or part of your policy is canceled for any reason before that date, the canceled coverage will end on the cancellation date at 12:01 a.m. at such address.
If other persons or organizations commit fraud or misrepresentation.	4	
Unintentional errors or omissions.	4	
Assignments And Transfers	4	
Lawsuits Against Us	5	
If your policy provides property or other first-party protection.	5	
If your policy provides liability protection.	5	
Recovering Damages From A Third Party	5	Policy Changes
Appraisal Of A Covered Loss Amount In Dispute Under Property Or Other First-Party Protection	5	Your policy contains all of the agreements between you and us concerning the coverage provided by your policy and can be changed only as described in this rule.
Bankruptcy Or Insolvency Of Any Person Or Organization Protected Under Liability Protection	6	
How Statutory Or Regulatory Law Affects Your Policy	6	We can make changes in our standard insurance policy forms from time to time. Such changes must conform to applicable law and may be filed with insurance regulatory authorities for approval.

Special Rights And Duties Of The First Named Insured

When more than one insured is named in the Introduction of your policy, the first named insured has special rights and duties. Those rights and duties are explained in the following General Rules:

- Cancellation.
- Policy Changes.
- Premiums.

If we make any such change, while your policy is in effect, that:

- would broaden or extend the coverage your policy provides; and
 - can be legally added to your policy without increasing your premium;
- you'll automatically receive the benefit of the broadened or extended coverage beginning at:
- 12:01 a.m.; or

- noon, if coverage under your policy otherwise begins at that time;
- on the effective date of the change at the address shown for you in the Introduction of your policy.

If we make any such change before your policy begins and that change still applies to a standard insurance policy form which:

- is part of your policy when your policy begins; or
- is made part of your policy after your policy's effective date;

you'll automatically receive the benefit of that broadened or extended coverage beginning at the time and on the effective date that form is, or is made, part of your policy.

We don't have to provide any written notice, or a written form that's made part of your policy, for you to receive such benefits.

We can make other changes in your policy and, with our consent, the first named insured can make changes in your policy too. But such changes can be made only with a written form that:

- is made part of your policy; and
- is signed by us or one of our authorized representatives.

Premiums

We compute the premium for your policy in accordance with our rules and rates which apply to your policy.

Estimates. All or part of your premium may be based on estimates.

If estimates are used, your policy will contain an endorsement, summary, or other form that shows:

- we used estimates; and
- when and how we'll compute your actual premium.

We'll compute your actual premium, when complete information is available, at the end of:

- the policy period;
- each one-year period that's part of the policy period, if the policy period is longer than one year; and
- any interim audit period that's shorter than one year, if an interim audit period applies during the policy period.

For each such period, we'll compute your actual premium in accordance with our rules and rates which apply to your policy and for that period.

If your actual premium is:

- more than the estimated premium you've paid, you'll owe us the difference; or
- less than the estimated premium you've paid, we'll return the difference;

except as described in the Additional or return premium section.

You must keep accurate records of the information we'll need to compute your actual premium. Your agent or broker can explain the type of records we'll need. The first named insured must mail, deliver, or otherwise give to us a copy of those records when we request them.

However, we don't have to request or use any records to compute your actual premium if we determine, in accordance with our rules and rates which apply to your policy, that your premium based on estimates is your actual premium.

Additional or return premium. We or your agent or broker will tell the first named insured about any additional or return premium for your policy.

However, we won't charge an additional premium, or refund a return premium, for any difference in premium of \$15 or less that results from:

- your actual premium being more or less than the estimated premium you've paid; or
- any change made in your policy, including any cancellation of all or part of your policy by you or us.

But we'll refund a return premium of \$15 or less for your policy if the first named insured requests that we do so. We'll apply this rule for waiving additional or return premiums separately each time your policy is changed.

In any event, your policy premium won't be less than the minimum policy premium we're allowed to charge in accordance with our rules and rates which apply to your policy.

Your bill. The first named insured:

- will be the one we'll bill for all premiums for your policy;

- is responsible for paying all premiums for your policy when due; and
- will be the one to whom we'll pay any return premium for your policy.

The due date for each premium owed us for your policy is the date shown as the due date on your bill for that premium.

If the first named insured is also the first named insured under:

- any other policy with us; or
- any policy with any of our affiliated insurance companies;

we may bill, under one statement, the premium for:

- your policy; and
 - any or all of those other policies;
- regardless of their type, what they cover, or their policy periods.

If we bill the premium for such policies under one statement:

- we may adjust your bill under that statement to reflect the total of any additional or return premium for any or all of those policies;
- we'll apply any partial payment of the minimum premium due under your bill proportionately to each of those policies unless the first named insured requests at the time of such payment that we apply it differently; and
- for any of those policies with a return premium, the first named insured may request that we refund such premium with a separate payment.

Our Right To Inspect And Audit

You must allow us to inspect your property and operations during normal business hours while your policy is in effect.

However, we aren't required to:

- make any such inspection; or
- guarantee that your property or operations are safe, or conform to any code, law, regulation, or standard;

except as required by any applicable state or municipal code, law, regulation, or standard for the certification of boilers, pressure vessels, or elevators.

This rule also applies to any person or organization that makes insurance

inspections, surveys, reports, or recommendations for us.

You also must allow us to examine, audit, and make copies of your financial books and records that relate to the coverage provided by your policy at any time up to three years after your policy ends.

Cancellation

By the first named insured. The first named insured can cancel all or part of your policy at any time before your policy's expiration date with an advance notice of cancellation to us or one of our authorized representatives.

To cancel, the first named insured:

- must deliver to us or one of our authorized representatives; or
- must mail to us, if such delivery isn't possible;

your policy, or the part of your policy to be canceled, and must provide the date the cancellation will be effective.

By us. We can cancel all or part of your policy at any time before your policy's expiration date.

If we cancel, the first named insured:

- is responsible for receiving the cancellation notice from us for you; and
- will be the one to whom we'll mail or deliver the cancellation notice.

Also, we'll mail or deliver the cancellation notice to the first named insured at least:

- 10 days, if we're canceling for nonpayment of premium; or
- 30 days, if we're canceling for any other reason;

before the date the cancellation will be effective.

If the cancellation notice is mailed, proof of mailing to the first named insured's last mailing address known to us will be considered proof that the first named insured received such notice.

Return premium. We'll compute, in accordance with our rules and rates which apply to your policy, the cancellation return premium, if any, on a pro rata basis. But for a cancellation by the first named

insured, we may compute any such premium on less than a pro rata basis.

As soon as possible, we'll refund any cancellation return premium, except as described in the Additional or return premium section of the Premiums section, to the first named insured.

However, the cancellation will be effective regardless of whether or not we've made or offered such a refund.

Fraud And Misrepresentation

If you commit fraud or misrepresentation. If, before or after a loss, you:

- hide any important information from us;
- mislead, lie to, or defraud us; or
- attempt any such actions;

about any matter concerning the coverage provided by your policy, we can consider your policy to be void for you and all other persons and organizations protected under your policy.

We'll consider such fraud or misrepresentation committed by any of the following to also be committed by you:

- Your spouse if you're an individual.
- Any of your partners or co-venturers, or their spouses, if you're a partnership or joint venture.
- Any of your members or managers if you're a limited liability company.
- Any of your trustees if you're a trust.
- Any of your shareholders if you're a professional association.
- Any of your appointed or elected officials if you're a public entity or tribal government.
- Any of your directors or executive officers if you're a corporation or an other organization.

If other persons or organizations commit fraud or misrepresentation. If, before or after a loss, any person or organization protected under your policy, other than you and the persons and organizations described in the last paragraph of the If you commit fraud or misrepresentation section:

- hides any important information from us;
- misleads, lies to, or defrauds us; or
- attempts any such actions;

about any matter concerning the coverage provided by your policy, we can consider your policy to be void for only that person or organization.

We'll consider such fraud or misrepresentation committed by any of the following to also be committed by any such organization protected under your policy:

- Any of its partners or co-venturers if that organization is a partnership or joint venture.
- Any of its members or managers if that organization is a limited liability company.
- Any of its trustees if that organization is a trust.
- Any of its shareholders if that organization is a professional association.
- Any of its appointed or elected officials if that organization is a public entity or tribal government.
- Any of its directors or executive officers if that organization is a corporation or an other organization.

Unintentional errors or omissions. We won't consider errors or omissions that are unintended by:

- you; and
- all other persons and organizations protected under your policy that are described in the last paragraph of the If you commit fraud or misrepresentation section and commit such errors or omissions;

to be fraud or misrepresentation as described in that section.

Also, we won't consider errors or omissions that are unintended by:

- all other persons and organizations protected under your policy; and
- all persons and organizations described in the last paragraph of the If other persons or organizations commit fraud or misrepresentation section;

that commit such errors or omissions to be fraud or misrepresentation as described in that section.

Assignments And Transfers

Neither you nor any other person or organization protected under your policy can assign, transfer, or otherwise turn over, your interest in it without consent from us in a written form that's made part of your policy.

However, if you're an individual named insured and you die:

- your legal representatives will have your rights and duties under your policy, but only while acting within the scope of their duties as your legal representatives; and
- until such legal representatives are appointed, any person or organization that properly has temporary custody of your property will have your rights and duties concerning that property under your policy.

Lawsuits Against Us

No person or organization can sue us to recover under your policy unless all of your policy's terms have been fully complied with.

If your policy provides property or other first-party protection. Any suit to recover on a loss under any property or other first-party protection provided by your policy must begin within two years after the date on which the direct physical loss or damage occurred to the property that's required to sustain such loss or damage for the loss to be covered under that protection.

If your policy provides liability protection. No person or organization can sue us to recover on a loss under any liability protection provided by your policy until the amount of the liability of a person or organization protected for that loss under your policy has been finally decided either by a judgment or by a written agreement signed by:

- us;
- the person or organization protected under your policy; and
- the person or organization making a claim or bringing a suit for the loss.

Once liability has been so determined, that person or organization making the claim or bringing the suit may be able to recover under your policy, up to the limit of coverage that applies. But such person or organization can't sue us directly or join us in a suit against that person or organization protected under your policy until liability has been so determined.

Recovering Damages From A Third Party

You or other persons or organizations protected under your policy may also be

able to recover from others all or part of any loss for which we make a payment.

Any such right of recovery, and the proceeds of any settlement or judgment that may result from the exercise of that right, belongs to us.

For that reason, you and all other persons and organizations that:

- are protected under your policy; and
- are, or may be, involved in a loss for which we make, or may make, a payment; must do all that's possible after the loss to:
- preserve for us any such right of recovery or any such proceeds; and
- cooperate with us in any attempt to exercise any such right of recovery.

However, before any loss, you or any other person or organization protected under your policy may waive its right of recovery for the loss without our consent.

If we exercise our right of recovery under your policy and we recover more than we've paid, the excess amount will belong to the person or organization protected under your policy that had the loss. But we'll first deduct our recovery expenses from any such amount recovered by us.

Appraisal Of A Covered Loss Amount In Dispute Under Property Or Other First-Party Protection

If your policy provides property or other first-party protection and you and we can't agree on the amount of a loss covered under that protection, the following procedure will be used to settle the dispute:

1. Either you or we will make a written demand for an appraisal of the covered loss amount in dispute.
2. Within 30 days of the demand, you and we will each select a competent and impartial appraiser and notify the other of the selection.
3. The appraisers will select a competent and impartial umpire. If they can't agree on an umpire, either of them may request that the selection be made by a judge of a court having jurisdiction.
4. The appraisers will each state separately their appraisal of the covered loss amount in dispute. If they can't agree on that amount, they'll submit their

appraisals to the umpire. The umpire's agreement to one of those appraisals will be binding.

5. You'll pay the fees of your appraiser. We'll pay the fees of our appraiser. Other costs of the appraisal, including the fees of the umpire, will be shared equally by you and us.

Bankruptcy Or Insolvency Of Any Person Or Organization Protected Under Liability Protection

If your policy provides liability protection, the bankruptcy or insolvency of:

- any person or organization protected under that liability protection; or
- any estate of that person;

won't relieve us of our obligations under such liability protection.

However, if such liability protection contains an exclusion or other coverage limitation for loss that results from such bankruptcy or insolvency, this rule doesn't change or eliminate that exclusion or other coverage limitation.

How Statutory Or Regulatory Law Affects Your Policy

Any part of your policy that conflicts with any requirement of statutory or regulatory law which applies is automatically changed to conform to that law.

CALIFORNIA REQUIRED ENDORSEMENT

This endorsement changes your policy to comply with, or otherwise respond to, California law.

Therefore, each change made by this endorsement applies only to the extent:

- required by California statutory or regulatory law; or
- specifically described in the part of this endorsement which makes that change.

As a result, if the address shown for you in the Introduction of your policy is outside California, each change that's made to comply with California statutory or regulatory law applies only if, and to the extent, your policy provides coverage for:

- a loss of or to, or that results from, property in California; or
- a loss that results from your operations in, or which affect, California; and such statutory or regulatory law applies to such coverage.

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Cancellation

The Cancellation section of the General Rules is replaced by the following.

You can cancel this policy in whole or in part at any time.

How you can cancel. To cancel this policy or any of its insuring agreements, you must deliver the policy, or the part you want canceled, to us or to any of our authorized agents. If this isn't possible, notify us by mail and include the date you want the policy or individual insuring agreement canceled. You'll get a refund for the unused premium, less a charge for early cancellation.

How we can cancel policies in effect 60 days or less. If your policy has been in effect 60 days or less, and is not a renewal or continuous policy, we can cancel for any reason during this period. If we do, we'll mail or deliver a notice of cancellation to the first named insured. If we're canceling because of nonpayment of premium or because we discovered that any person insured by this policy has committed fraud either in obtaining this policy or in submitting a claim under this policy, we'll

send notice at least 10 days before coverage will end. If we're canceling for any other reason we'll send notice at least 30 days before coverage will end. The notice will state the reason for cancellation.

How we can cancel policies in effect more than 60 days. If your policy has been in effect more than 60 days, or is a continuous or renewal policy, we can cancel only for the following reasons:

1. *Nonpayment of premium.* We can cancel if the first named insured fails to pay any premium or premium installment when due. This includes any installment of premium that was from a previous policy we issued that was due during the current policy period.
2. *Fraud or misrepresentation.* We can cancel if we discover that any person insured by this policy has committed fraud or made a material misrepresentation, either in obtaining this policy or in submitting a claim under this policy.
3. *Conviction of a crime.* We can cancel if you are convicted of a crime that increases any hazard you're insured against.
4. *Negligent acts.* We can cancel if we discover that you have committed a willful or extremely negligent act or omission that increases any hazard you're insured against.
5. *Failure to follow loss control requirements.* We may cancel if you or your representative fail to follow reasonable loss control requirements that you agreed to follow in order for us to issue your policy or give you certain premium rates.

6. *Determination by the Insurance Commissioner.* We can cancel this policy if the Commissioner Of Insurance determines that continuing this policy would put us in violation of California insurance laws, or jeopardize our being solvent. We can also cancel if the Insurance Commissioner determines that any loss of or change in our reinsurance affecting this policy would threaten our financial position.

7. *Change in the risk.* We can cancel if, after we have issued or renewed your policy, a change occurs in the risk we're protecting that increases the hazard we're insuring against. But this doesn't apply to a change that was expected or foreseen by us when we issued your policy. Nor does this apply if:

- the insured is an educational, religious, or other non-profit organization, as described in Section 676.10(a) of the California Insurance code; and
- the change in risk involves one or more losses caused by a hate crime, as described in Section 676.10(c) of the California Insurance Code, committed against the person or property of the insured.

If we cancel for nonpayment of premium or fraud or misrepresentation as described above, we'll mail a cancellation notice at least 10 days before coverage will end. If we cancel for any other reason, we'll mail or deliver the notice to the first named insured and the agent who sold this policy at least 30 days before coverage will end. The notice will state the exact reason for cancellation.

Special cancellation rule for certain residential property. If your policy covers:

- real property that is primarily used for residential purposes and consisting of not more than four dwelling units; and
- tenants' household personal property in a residential unit;

that has been in effect for at least 60 days, then the following applies:

We may not cancel this policy solely because the first named insured has:

- accepted an offer of earthquake coverage; or
- cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we'll cancel this policy if the first named insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.

Nor will we cancel such coverage solely because corrosive soil conditions exist on the premises. This applies only if coverage is subject to Commercial Property Coverage Part - Causes Of Loss - Special Form, which excludes loss or damage caused by or resulting from corrosive soil conditions.

Unused premium. If this policy is cancelled, we'll send the first named insured a refund of any unused premium. The refund will be figured on a pro rata basis. However, the refund may be less than pro rata if we made a loan to you for the purpose of payment of premiums for this policy. The cancellation will be effective even if we have not made or offered a refund.

Nonrenewal. If we decide not to renew or continue this policy, we'll mail a notice to the first named insured at least 60 days but not more than 120 days before the end of the policy period. The notice will show the reason for nonrenewal.

But we won't refuse to renew or continue this policy because of losses caused by a hate crime, as described in Section 676.10(c) of the California Insurance Code, committed against the person or property of the insured if the insured is an educational, religious, or other non-profit organization, as described in Section 676.10(a) of the California Insurance Code.

If state law requires us to give additional notices or changes our notice requirements, we will provide such additional notices or changes as needed.

If we offer to renew or continue your policy and you don't accept, the policy will expire at the end of the policy period. If we offer to renew your policy, and you fail to pay the required premium when due, we'll consider this to mean that you don't accept our offer.

If we fail to send proper notice of nonrenewal and you obtain other insurance, this policy will end on the date the other insurance takes effect.

We won't be required to send notice of nonrenewal in the following situations:

- If the transfer or renewal of a policy, without any changes in terms, conditions, or rates, is between us and a member of our insurance group.
- If the policy has been extended for 90 days or less, provided that notice has been given in accordance with the following paragraph.
- If you have obtained replacement coverage, or if the first named insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
- If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- If the first named insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
- If we have made a written offer to the first named insured, in accordance with the previously stated timeframes, to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

Special nonrenewal rule for certain residential property. If your policy covers:

- real property that is primarily used for residential purposes and consisting of not more than four dwelling units; and
- tenants' household personal property in a residential unit;

we may elect not to renew such coverage for any reason except for the following.

We won't refuse to renew such coverage solely because the first named insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first named insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;
- The Commissioner of Insurance finds that the exposure to potential losses

will threaten our solvency or place us in a hazardous condition. A hazardous condition includes a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or

- We have:
 - Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or
 - Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

- We will not refuse to renew such coverage solely because the first named insured has cancelled or did not renew a policy, issued by the California Earthquake Authority that included an earthquake policy premium surcharge.
- We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction applies only if coverage is subject to Commercial Property Coverage Part - Causes Of Loss - Special Form, which excludes loss or damage caused by or resulting from corrosive soil conditions.

Mailing the notice. Mailing the cancellation or nonrenewal notice to the first named insured's and agent's last address known to us will be considered proof you were notified.

Premiums

The following is added to the Additional or return premium section of the Premiums section of the General Rules and changes that section as described.

We'll refund a return premium of \$15 or less even if the first named insured doesn't request that we do so.

Fraud And Misrepresentation

If your policy provides property protection, the following replaces the first paragraph of the:

- If you commit fraud or misrepresentation; and
 - If other persons or organizations commit fraud or misrepresentation;
- sections of the General Rules, but only for that property protection.

For a loss caused by fire, we can deny coverage under the property protection provided by your policy for any person or organization protected under your policy that, before or after that loss, commits fraud, or intentionally conceals or misrepresents a material fact or circumstance, concerning:

- that property protection;
- a claim under that property protection;
- the covered property involved in that loss; or
- that person's or organization's interest in that covered property.

For a loss caused by a covered cause of loss other than fire, we can consider the property protection provided by your policy to be void for all persons and organizations protected under your policy if, before or after that loss, any such person or organization commits fraud, or intentionally conceals or misrepresents a material fact or circumstance, concerning:

- that property protection;
- a claim under that property protection;
- the covered property involved in that loss; or
- the interest of any person or organization protected under your policy in that covered property.

Appraisal Of A Covered Property Loss Amount In Dispute Under Property Or Other First-Party Protection

The following is added to the Appraisal Of A Covered Property Loss Amount In Dispute Under Property Or Other First-Party Protection section of the General Rules and changes that section as described.

The Appraisal Of A Covered Property Loss Amount In Dispute Under Property Or Other First-Party Protection section applies only if both you and we agree to a request for an appraisal. No demand can be made for an appraisal.

Registered Domestic Partner

Wherever the term spouse is used in any insuring agreement that is included in this policy, it is replaced by the phrase spouse or registered domestic partner under California law.

Property Protection - Actual Cash Value

If your policy includes property or inland marine insurance, the following is added to any insuring agreement that is an open policy and that uses the term actual cash value.

For a total loss of a covered building or structure we'll figure actual cash value as the fair market value of such building or structure.

For a partial loss of a covered building or structure, we'll figure actual cash value as the amount it would cost to repair, rebuild or replace such building or structure, less a fair and reasonable amount for deterioration or depreciation of the components of such building or structure that are normally subject to repair or replacement during its useful life, and based upon the condition of the property at the time of the loss or damage.

For a partial or total loss to covered property other than a building or structure, we'll figure actual cash value as the amount it would cost to repair or replace such covered property at the time of loss or damage with material of like kind and quality, less an amount for deterioration, depreciation, or obsolescence.

Open policy means an insuring agreement in which the value of the subject matter is not agreed upon, but is left to be ascertained in case of loss. This definition is in accordance with Section 411 of the California Insurance Code.

Property Protection - Replacement Cost

If your policy includes property or inland marine insurance, the following applies to any insuring agreement that is an open policy.

The Replacement cost, Property insured for replacement cost, or similarly titled section in the Rules For Loss Adjustment section of the insuring agreement is deleted and replaced by the following:

Replacement cost. For property covered on a replacement cost basis, we'll pay the necessary cost to repair or replace the lost or damaged property without deduction for depreciation. But we won't pay more than the least of the following:

- The amount you actually spend that's necessary to repair the damage.
- The amount you actually spend that's necessary to replace the lost or damaged property with new property of similar kind and quality that's used for the same purpose.
- The limit of coverage that applies to the lost or damaged property.

We won't pay on a replacement cost basis until lost or damaged property has actually been repaired or replaced. But, if you have reported a covered loss and have complied with all other related policy terms and conditions, we will pay on an actual cash value basis. If this payment does not exhaust the limit of coverage that applies, then we will pay the difference between the actual cash value and the replacement cost, up to the limit of coverage that applies, if the lost or damaged property is repaired or replaced:

- Within 12 months after our payment of the actual cash value; or

- Within 24 months after our payment of the actual cash value if the loss or damage is related to a state of emergency as described in Section 8558 of the Government Code.

We can extend the above time periods for good cause.

Regardless of the above, we can still deny the claim for any valid reason or restrict any payment if we suspect fraud.

If a covered building is rebuilt at a new location, we'll only pay the amount that would have been spent if the building had been rebuilt at the original location.

We won't consider the enforcement of any ordinance, regulation, or law governing the use, construction, repair, or demolition of any property, including removal of debris, to be a part of the cost of repair or replacement.

Other Terms

All other terms of your policy remain the same.

ILLINOIS REQUIRED ENDORSEMENT

This endorsement changes your policy to comply with, or otherwise respond to, Illinois law.

Therefore, each change made by this endorsement applies only to the extent:

- required by Illinois statutory or regulatory law; or
- specifically described in the part of this endorsement which makes that change.

As a result, if the address shown for you in the Introduction of your policy is outside Illinois, each change that's made to comply with Illinois statutory or regulatory law applies only if, and to the extent, your policy provides coverage for:

- a loss of or to, or that results from, property in Illinois; or
- a loss that results from your operations in, or which affect, Illinois; and such statutory or regulatory law applies to such coverage.

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2. *Fraud or misrepresentation.* We can cancel if we discover that the policy was obtained through fraud or a material misrepresentation.
3. *Breaking the rules of this policy.* We may cancel this policy if you violate any of this policy's rules.
4. *Change in the risk.* We can cancel if, after we have issued or renewed your policy, a change occurs in the risk we're protecting that measurably increases the hazard we're insuring against.
5. *Loss of reinsurance.* We may cancel if we lose reinsurance that provided coverage to us for all or a substantial part of your risk. This loss must be certified to the director of insurance.
6. *Determination by the Insurance Commissioner.* We may cancel this policy if the Commissioner Of Insurance determines that continuing this policy would put us in violation of this state's insurance laws.

If we cancel for any of these reasons, we'll mail a notice to you, your agent, and any mortgage holder. If we cancel for nonpayment of premium, we'll send the notice at least 10 days before coverage will end. If we cancel for any other reason, we'll send the notice at least 60 days before coverage will end. The notice will state the reason for cancellation. The notice will also show a date cancellation is to take effect. Coverage will end on that date.

Unused premium. As soon as possible, you'll get a refund of any unused premium you've paid. However, the cancellation will be effective whether or not you've been paid or offered the unused premium. If we cancel, the refund will be figured on a pro rata basis. If you cancel, the premium will be less than pro rata.

Nonrenewal. We may decide not to renew or continue this policy. If so, we'll mail a notice of nonrenewal to you and your agent at least 60 days before the expiration date of this policy. The notice will show the reason for nonrenewal.

But even if we don't follow this rule, your policy will end on the expiration date if:

- you don't pay the premium, or any installment that's due;
- we've agreed to renew this policy; or

- you've notified us or our agent that you don't want to renew this policy.

If we fail to send proper notice of nonrenewal, and you obtain other insurance, this policy will end on the effective date of that insurance.

Mailing the notice. Mailing the cancellation or nonrenewal notice to your, your agent's, and any mortgage holder's last address known to us will be considered proof you were notified.

If your policy includes an insuring agreement or endorsement that describes "mailing or delivering" a notice of cancellation or nonrenewal, the words "or delivering" are deleted.

Special rule for certain real estate. If your policy covers real property that's not residential property occupied by not more than four families and has been in effect for one year or is a renewal policy, we can cancel for any of the following reasons:

- failure to make required repairs 60 consecutive days or more after a fire loss has been adjusted with you. But this doesn't apply if a delay is caused by a labor dispute or weather conditions;
- if you leave a building unoccupied for 60 consecutive days. But this doesn't apply to buildings which are only occupied on a seasonal basis, or buildings that are under repair, construction, or reconstruction, and have been properly secured against unauthorized entry;
- if your building has been declared unsafe. Or if there's been an order to vacate the building, or an order for the building's demolition; or
- if your building has not had heat, light, water or sewer service for 30 or more consecutive days.

We will mail you a written notice of cancellation, using both certified mail and first-class mail. The cancellation will become effective no sooner than 10 days after you receive our written notice.

Special rule for certain residential property. If your policy covers residential property occupied by not more than four families and has been in effect for at least 60 days, we can only cancel or refuse to renew your policy for any of the following reasons:

- You hide any important information from us, mislead us, or attempt to defraud or lie to us about any matter concerning this insurance; or

- What we cover has measurably increased in hazard since we first agreed to write your policy.

If we cancel or refuse to renew for this reason, we'll send notice of cancellation or nonrenewal to you 60 days before coverage will end.

But this provision doesn't apply to glass coverage.

Fraud And Misrepresentation

The following replaces the first paragraph of the:

- If you commit fraud or misrepresentation; or
- If other persons or organizations commit fraud or misrepresentation;

sections of the General Rules. However, this change doesn't apply to certain residential real or personal property. Instead, refer to the Fraud and misrepresentation section of the Property Protection - Residential Real Or Personal Property section in this Illinois Required Endorsement (40519).

We can consider your policy to be void for you and all other persons and organizations protected under your policy if, before or after a loss, you or any such person or organization:

- intentionally conceals or misrepresents any material fact or circumstance;
- engages in fraudulent conduct; or
- makes a false statement; about any matter concerning:
- the coverage provided by your policy; or
- any fact or circumstance material to the investigation of any loss under your policy.

Lawsuits Against Us - Property Or Other First-Party Protection

The following is added to the If your policy provides property or other first-party protection section of the Lawsuits Against Us section of the General Rules and changes that section as described.

The two-year period in which a suit to recover on a loss must begin is lengthened by the number of days between the date you give us proof of loss and the date we deny coverage for the loss.

Property Protection - Acts Intended To Cause Loss Exclusion

If your policy includes property or inland marine protection, the following is added to the Exclusions - Losses We Won't Cover section.

Acts intended to cause loss. We won't cover loss or damage caused by any act committed:

- by or at the direction of you or any protected person; and
- with the intent to cause a loss.

However, we won't use this exclusion to deny payment to an innocent protected person who did not cooperate in or contribute to the creation of the loss if:

- the loss was caused by a pattern of criminal domestic violence; and
- the perpetrator of the loss is criminally prosecuted for the act causing the loss.

But we won't pay more than the innocent protected person's financial interest in the covered property, less any payments we first make to a mortgagee or other party with a legal secured interest in the covered property.

Property Protection - Other Insurance

If your policy includes property or other first-party protection, the following replaces the Other Insurance section. But this change does not apply if your property or other first-party protection is intended to apply on an excess basis and indicates such intent in its title.

Other insurance may apply to loss covered under this agreement. If the other insurance is subject to the same terms and conditions as this policy, we'll pay our pro rata portion of the covered loss or damage. Our share will be the same proportion of the loss that our limit of coverage bears to the total of all available limits. If the other insurance more specifically insures the property we'll pay the amount of the loss in excess of the amount due from that other insurance, regardless of whether you can collect on it. But we won't pay more than the limit of coverage under this agreement.

Other insurance means insurance, or the funding of losses, that's provided by, through, or on behalf of:

- another insurance company;
- any risk retention group;

- any self-insurance method or program, other than any funded by you and over which this agreement applies; or
- any similar risk transfer or risk management method.

Property Protection - Residential Real Or Personal Property

If your policy provides property protection that covers:

- real property used primarily for residential purposes up to and including four-family dwellings; or
- household or personal property that is usually used in the scope of occupancy for residential purposes;

the following changes apply only for that property protection.

Appraisal Of A Covered Loss Amount In Dispute Under Property Or Other First-Party Protection.

The following is added to the Appraisal Of A Covered Loss Amount In Dispute Under Property Or Other First-Party Protection section of the General Rules and changes that section as described:

We'll pay all fees of the appraisers, and the other costs of the appraisal, including the fees of the umpire, if:

- you requested the appraisal; and
- the covered loss amount determined by your appraiser was agreed to in full by our appraiser or by the umpire.

Fraud and misrepresentation. The following replaces the first paragraph of the:

- If you commit fraud or misrepresentation; and
- If other persons or organizations commit fraud or misrepresentation;

sections of the General Rules.

We can consider your property protection to be void for you and all other persons and organizations protected under your policy if:

1. your policy has been in effect for less than one year or one policy term, whichever period is shorter; and
2. in the process leading us to issue your policy, you or any such person or organization commits fraud, or conceals or misrepresents a fact, that is in your policy, or the written application for your policy, and:

was made with the intent to deceive us; or

materially affected the hazard we assumed or our decision to provide that property protection.

Also, we can consider your property protection to be void for you and all other persons and organizations protected under your policy if, at any time after your policy is issued, you or any such person or organization commits fraud, or conceals or misrepresents a fact, concerning:

- that property protection;
- a loss under that protection;
- the covered property under that protection;
- your interest in that covered property.

Regardless of the provisions in this section, we can cancel your policy as provided under the Cancellation section of this Illinois Required Endorsement (40519) if we discover the policy was obtained through fraud or a material misrepresentation.

Civil Union

Wherever the term spouse is used in any insuring agreement that is included in this policy, it is replaced by the phrase spouse or party to a civil union recognized under Illinois law.

Liability Protection - Right And Duty To Defend A Protected Person Or Defending Lawsuits

If your policy includes liability protection that includes a Right and duty to defend a protected person or Defending lawsuits section, the following is added to that section.

If we initially defend a protected person or pay for a protected person's defense but later determine that the claim or suit is not covered under this insurance, we'll have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense cost we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

Liability Protection - How The Limits Of Coverage Apply If A Total Limit Is Left Blank

If your policy includes a liability insuring agreement that includes a How the total limits apply if a total limit is left blank section, the following is added to that section.

If the amount for a total limit is left blank in the Coverage Summary, we'll consider the limit shown on the application for this insurance to be that total limit. However, if no limit is shown on the application, we'll consider the total limit to be the amount described in this section.

Liability Protection - Prejudgment Interest

If your policy includes liability protection, the following is added to the What This Agreement Covers section. This change broadens coverage.

We'll also pay the prejudgment interest awarded against the protected person on that part of any judgment paid by us. And we'll consider such payment to be in addition to the limits of coverage. But if we make an offer to pay the limit of coverage that applies, we won't pay prejudgment interest that accumulates after the date of our offer.

Liability Protection - Punitive Or Exemplary Damages Imposed As A Result Of Misconduct

The following is added to the definition of damages if:

- your policy includes liability protection that contains a definition of damages; and
- the definition of damages includes punitive or exemplary damages imposed by law if such damages are insurable under the law that applies.

In addition, we won't consider damages to include punitive or exemplary damages imposed as a result of the misconduct of any protected person.

Liability Protection - Claims-Made - Claim Information

The following is added to the General Rules if your policy includes a claims-made liability insuring agreement which contains a Loss Information section.

We'll provide the first named insured the following information for any claims-made

insuring agreement which contains a Loss Information section, and any such preceding claims-made insuring agreement, we have issued to you during the previous three years:

- The date and description of the event on closed claims including the amount of payment, if any.
- The date and description of the event on open claims including the amount of payments and reserves, if any. Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.
- The date and description of each event you reported to us for which no amounts have been paid or reserved.

If we cancel or elect not to renew any such claims-made insuring agreements, we'll provide this information at the same time that we send the notice of cancellation or nonrenewal. Otherwise, we will provide this information only if we receive a request from the first named insured. If we do, we'll provide this information within 30 days of receipt of the request.

We collect this information for our own business purposes. We do so as carefully and accurately as we can. In giving this information to the first named insured, we don't make any promises or warranties to anyone that this information has no errors. Any cancellation or nonrenewal will take effect even if we accidentally provide incorrect information.

Commercial General Liability Protection - Claims-Made - Extended Reporting Period

If your policy includes Commercial General Liability Protection - Claims-made, the following is added to the When and how an extended reporting period can be added section.

If we cancel this agreement for nonpayment of premium, our cancellation notice to you will include the amount of the unpaid portion of the premium for the period this agreement was in effect.

Umbrella Excess Liability Protection - Claims-Made - Extended Reporting Period

If your policy includes Umbrella Excess Liability Protection - Claims-Made, the following is added to the Extended Reporting Period section of your agreement.

We'll figure the additional premium for the Extended Reporting Period Endorsement according to our rules and rates. But we won't charge more than 200% of the annual premium for the last policy year of this agreement.

Commercial General Liability Protection Or Umbrella Excess Liability Protection - Claims-Made - Important Note - Retroactive Date

If your policy includes Commercial General Liability Protection or Umbrella Excess Liability Protection with a Coverage Summary that contains an Important Note - Retroactive Date section, the following change applies.

The paragraph which says, "However, if no date is shown above and the claims-made agreement applies, we'll consider the retroactive date to be the same as the beginning date of this policy." is deleted.

Employee Benefit Plans Administration Liability Protection - Claims-Made

If your policy includes Employee Benefit Plans Administration Liability Protection - Claims-Made, the following is added to the When and how an extended reporting period can be added section.

If we cancel this agreement for nonpayment of premium, our cancellation notice to you will include the amount of the unpaid portion of the premium for the period this agreement was in effect.

Liquor Liability Protection - Each Person Limit Of Coverage - Conformity To Illinois Law

If your policy includes Liquor Liability Protection, the following is added to the Limits Of Coverage section of that insuring agreement.

In accordance with Section 235.5/6-21 of the Illinois Administrative Code, the most you may be legally required to pay as damages for:

- bodily injury;
 - loss of means of support or loss of society; or
 - property damage;
- that happens in Illinois and results from the selling, serving, or furnishing of any alcoholic beverage is limited to the amounts allowed by that law. Those amounts may be less than the limits of coverage available under this agreement.

As a result, the Each person limit:

- will apply in accordance with the amounts allowed by Section 235.5/6-21 of the Illinois Administrative Code; and
- will be automatically increased, if necessary, to comply with any increase in those amounts while this agreement is in effect;

but only for damages otherwise covered by this agreement. The Total limit remains the same.

Product Recall Protection - Other Insurance

If your policy includes Product Recall Protection, the following replaces the Other Insurance section.

There may be other insurance that applies to your covered expenses. If there is any valid and collectible other insurance that:

- reimburses you for covered expenses that are covered by this agreement; and
- wasn't bought specifically to apply in excess of the limits of coverage shown in the Coverage Summary;

we'll share with the other insurance any covered expenses that are covered by this agreement. If the other insurance has similar terms and conditions, we'll pay the portion of the covered expenses that is equal to our percentage of the total of all limits that apply. But we won't pay more than the limits of coverage that apply under this agreement.

If the other insurance more specifically applies to the covered expenses, we'll pay for covered expenses that are left after such other insurance has been used up, less the deductible and participation percentage. But we won't pay more than the applicable limit of coverage under this agreement.

Other insurance means insurance, or the funding of losses, that's provided by or through:

- another insurance company;
- us, except under this agreement;
- any of our affiliated companies;
- any risk retention group;
- any self-insurance method or program, other than any funded by you and over which this agreement applies; or
- any similar risk transfer management method.

Real Estate Professional Liability And Producers' Or Distributors' Errors And Omissions Liability -

**When And How An Extended Reporting Period
Endorsement Can Be Added**

If your policy includes:

- Real Estate Professional Services Liability Protection - Claims-Made;
- Real Estate Agents Or Brokers Professional Liability Protection - Claims-Made; or
- Producers' Or Distributors' Errors And Omissions Liability Protection - Claims-Made;

the following replaces the second paragraph of the When and how an extended reporting period can be added section.

However, the Extended Reporting Period Endorsement won't take effect unless we

receive all of the following within 60 days after the ending date of this agreement, and you have fulfilled all other duties, and complied with all other conditions and requirements, under this agreement:

- A written request from you to purchase the Extended Reporting Period Endorsement.
- Payment of the additional premium for the Extended Reporting Period Endorsement.

Other Terms

All other terms of your policy remain the same.

MASSACHUSETTS REQUIRED ENDORSEMENT

This endorsement changes your policy to comply with, or otherwise respond to, Massachusetts law.

Therefore, each change made by this endorsement applies only to the extent:

- required by Massachusetts statutory or regulatory law; or
- specifically described in the part of this endorsement which makes that change.

As a result, if the address shown for you in the Introduction of your policy is outside Massachusetts, each change that's made to comply with Massachusetts statutory or regulatory law applies only if, and to the extent, your policy provides coverage for:

- a loss of or to, or that results from, property in Massachusetts; or
 - a loss that results from your operations in, or which affect, Massachusetts;
- and such statutory or regulatory law applies to such coverage.

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Massachusetts Standard Fire Policy Provisions That Apply If Your Policy Provides Property Protection	1	• only in connection with the coverage provided by your policy for those perils; and
Massachusetts Standard Fire Policy Provisions	1	• only in place of any other similar provisions in your policy to the extent those other similar provisions apply to that coverage.
Other Massachusetts Provisions That Apply If Your Policy Provides Property Protection	4	But if any of those other similar provisions is interpreted as being more favorable than the Massachusetts Standard Fire Policy Provisions that applies, we'll apply the more favorable interpretation.
Debts On Property	4	
Municipal Tax Debts	4	
Debts For Violations Of Building Health And Safety Laws	5	
Other Changes	5	Also, your policy doesn't have a Declarations form. Instead, it has an Introduction form and one or more coverage summaries. Your policy's Introduction form shows the named insured, policy period, and premium for your policy. The Coverage Summary for the property protection insuring agreement shows:
Property Protection - Buildings That Are Vacant	5	• the description and location of the covered property; and
Property Protection - If Your Building Is Mortgaged	5	• the limit of coverage which applies to that property.
Liquor Liability Protection - Cancellation	5	
Other Terms	6	

Massachusetts Standard Fire Policy Provisions That Apply If Your Policy Provides Property Protection

The following Massachusetts Standard Fire Policy Provisions apply if your policy provides property protection that covers loss or damage to covered property caused by the perils of fire, lightning, or removal from premises endangered by fire or lightning.

However, in accordance with Massachusetts law, we'll apply the Massachusetts Standard Fire Policy Provisions:

Massachusetts Standard Fire Policy Provisions

In consideration of the Provisions and Stipulations Herein or Added Hereto and of the Premium Specified in the Declarations, this company, for the term of years specified in the Declarations from inception date (At 12:01 A.M. Standard Time) to expiration date (At 12:01 A.M. Standard Time) at location of property involved, to an amount not exceeding the amount(s) specified in the Declarations, does insure the Insured named in the Declarations and legal representatives, to the extent of the actual cash value of the property at the time of loss, but in no event for more than the interest of the insured, against all Loss By

Fire, Lightning And By Removal From Premises Endangered By The Perils Insured Against In This Policy, Except As Hereinafter Provided, to the property described in the Declarations while located or contained as described in this policy or pro rata for five days at each proper place to which any of the property shall necessarily be removed for preservation from the perils insured against in this policy, but not elsewhere.

Assignment of this policy shall not be valid except with the written consent of this Company.

This policy is made and accepted subject to the foregoing provisions and stipulations and those hereinafter stated, which are hereby made a part of this policy together with such other provisions, stipulations and agreements as may be added hereto, as provided in this policy.

Concealment, Fraud. This entire policy shall be void if, whether before or after a loss, the insured has willfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or the interest of the insured therein, or in case of any fraud or false swearing by the insured relating thereto.

Uninsurable And Excepted Property. This policy shall not cover accounts, bills, currency, deeds, evidences of debt, money or securities; nor, unless specifically named hereon in writing, bullion or manuscripts.

Perils Not Included. This Company shall not be liable for loss by fire or other perils insured against in this policy caused, directly or indirectly, by (a) enemy attack by armed forces, including action taken by military, naval or air forces in resisting an actual or an immediately impending enemy attack; (b) invasion; (c) insurrection; (d) rebellion; (e) revolution; (f) civil war; (g) usurped power; (h) order of any civil authority except acts of destruction at the time of and for the purpose of preventing the spread of fire, provided that such fire did not originate from any of the perils excluded by this policy; (i) neglect of the insured to use all reasonable means to save and preserve the property at and after a loss, or when the property is endangered by fire in the neighboring premises; (j) nor shall this company be liable for loss by theft.

Other Insurance. Other insurance may be prohibited or the amount of insurance may be limited by endorsement attached hereto.

Conditions Suspending Or Restricting Insurance. Unless otherwise provided in writing added hereto this company shall not be liable for loss occurring (a) while the hazard is increased by any means within the control or knowledge of the insured; or (b) while the described premises, whether intended for occupancy by owner or tenant, are vacant or unoccupied beyond a period of sixty consecutive days, for residential premises of three units or less and thirty (30) consecutive days for all other premises, or (c) as a result of explosion or riot, unless fire ensue, and in that event for loss by fire only.

Other Perils Or Subjects. Any other peril to be insured against or subject of insurance to be covered in this policy shall be by endorsement in writing hereon or added hereto.

Added Provisions. The extent of the application of insurance under this policy and of the contribution to be made by this company in case of loss, and any other provision or agreement not inconsistent with the provisions of this policy, may be provided for in writing added hereto, but no provision may be waived except such as by the terms of this policy is subject to change.

Waiver Provisions. No permission affecting this insurance shall exist, or waiver of any provision be valid, unless granted herein or expressed in writing added hereto. No provision, stipulation or forfeiture shall be held to be waived by any requirement or proceeding on the part of this company relating to appraisal or to any examination provided for herein.

Cancellation Of Policy. This policy shall be cancelled at any time at the request of the insured, in which case this company shall, upon demand and surrender of this policy, refund the excess of paid premium above the customary short rates for the expired time. This policy may be cancelled at any time by this company by giving to the insured a five days written notice of cancellation, and to the mortgagee to whom this policy is payable twenty days written notice of cancellation except where the stated reason for cancellation is non-payment of premium where, in such

instance, this policy may be cancelled at any time by this company by giving to the insured a ten days written notice of cancellation, and the mortgagee a twenty days written notice of cancellation, with or without tender of the excess paid premium above the pro rata premium for the expired time, which excess, if not tendered, shall be refunded on demand. Notice of cancellation shall state that said excess premium (if not tendered) will be refunded on demand and shall state or be accompanied by a statement of the specific reason or reasons for such cancellation. After this policy has been in effect for sixty days, or after sixty days from any anniversary date, no notice of cancellation shall be effective unless it is based on the occurrence, after the effective date of the policy, of one or more of the following: (1) nonpayment of premium; (2) conviction of a crime arising out of acts increasing the hazard insured against; (3) discovery of fraud or material misrepresentation by the insured in obtaining the policy; (4) discovery of willful or reckless acts or omissions by the insured increasing the hazard insured against; (5) physical changes in the property insured which result in the property becoming uninsurable; or (6) a determination by the commissioner that continuation of the policy would violate or place the insurer in violation of the law. Where the stated reason is nonpayment of premium, the insured may continue the coverage and avoid the effect of the cancellation by payment at any time prior to the effective date of cancellation.

Mortgagee Interests And Obligations.

Notwithstanding any other provisions of this policy, if this policy shall be made payable to a mortgagee of the covered real estate, no act or default of any person other than such mortgagee or his agent or those claiming under him, whether the same occurs before or during the term of this policy, shall render this policy void as to such mortgagee nor affect such mortgagee's right to recover in case of loss on such real estate; provided, that the mortgagee shall on demand pay according to the established scale of rate for any increase of risk not paid for by the insured; and whenever this company shall be liable to a mortgagee for any sum for loss under this policy for which no liability exists as to the mortgagor, or owner, and this company shall elect by itself, or with others, to pay the mortgagee the full amount secured by such mortgage, then the mortgagee shall assign and transfer to the company interested, upon such

payment, the said mortgage together with the note and debt thereby secured.

Pro Rata Liability. This company shall not be liable for a greater proportion of any loss than the amount hereby insured shall bear to the whole insurance covering the property against the peril involved.

Requirements In Case Loss Occurs. The insured shall give immediate written notice to this company of any loss, protect the property from further damage, forthwith separate the damaged and undamaged personal property, put it in the best possible order, furnish a complete inventory of the destroyed and damaged property, showing in detail the quantity, description, actual cash value and amount of loss claimed; and the insured shall forthwith render to this company a signed, sworn statement in proof of loss which sets forth to the best knowledge and belief of the insured the following: the time and cause of the loss, the interest of the insured and of all others in the property, the actual cash value of each item thereof and the amount of loss thereto, all encumbrances thereon, all other contracts of insurance, whether valid or not, covering any of said property, any changes in the title, use, occupancy, location, possession or exposures of said property, since the issuing of this policy, by whom and for what purpose any building herein described and the several parts thereof were occupied at the time of loss and whether or not it then stood on leased ground, and shall furnish a copy of all the descriptions and schedules in all policies and detailed estimates for repair of the damage. The insured, as often as may be reasonably required, shall exhibit to any person designated by this company all that remains of any property herein described, and submit to examinations under oath by any person named by this company, and subscribe the same; and as often as may be reasonably required, shall produce for examination all books of account, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by this company or its representative, and shall permit extracts and copies thereof to be made.

When Loss Payable. In case of any loss or damage, the company within thirty days after the insured shall have submitted a statement, as provided in the preceding clause, shall either pay the amount for which it shall be liable, which amount if not

agreed upon shall be ascertained by award of referees as hereinafter provided, or replace the property with other of the same kind and goodness, or it may, within fifteen days after such statement is submitted, notify the insured of its intention to rebuild or repair the premises, or any portion thereof separately covered by this policy, and shall thereupon enter upon said premises and proceed to rebuild or repair the same with reasonable expedition. It is moreover understood that there can be no abandonment of the property described to the company, and that the company shall not in any case be liable for more than the sum insured, with interest thereon from the time when the loss shall become payable, as provided above. The company shall be liable for the payment of interest to the insured at a rate of one percent over the prime interest rate on the agreed figure commencing thirty days after the date an executed proof of loss for such figure is received by the company, said interest to continue so long as the claim remains unpaid.

Appraisal. In case of loss under this policy and a failure of the parties to agree as to the amount of loss, it is mutually agreed that the amount of such loss shall be referred to three disinterested men, the company and the insured each choosing one out of three persons to be named by the other, and the third being selected by the two so chosen, and the award in writing by a majority of the referees shall be conclusive and final upon the parties as to the amount of loss or damage, and such reference, unless waived by the parties, shall be a condition precedent to any right of action in law or equity to recover for such loss; but no person shall be chosen or act as a referee, against the objection of either party, who has acted in a like capacity within four months.

Suit. No suit or action against this company for the recovery of any claim by virtue of this policy shall be sustained in any court of law or equity in this commonwealth unless commenced within two years from the time the loss occurred; provided, however, that if, within said two years, in accordance with the provisions of the preceding paragraph, the amount of the loss shall have been referred to arbitration after failure of the parties to agree thereon, the limitation of time for bringing such suit or action shall in no event be less than ninety days after a valid award has been made upon such reference or after such reference

or award has been expressly waived by the parties. If suit or action upon this policy is enjoined or abated, suit or action may be commenced at any time within one year after the dissolution of such injunction, or the abatement of such suit or action, to the same extent as would be possible if there was no limitation of time provided herein for the bringing of such suit or action.

Subrogation. This company may require from the insured an assignment of all right of recovery against any party for loss to the extent that payment therefore is made by this company.

Other Massachusetts Provisions That Apply If Your Policy Provides Property Protection

The following provisions apply if your policy provides property protection.

Debts On Property

For certain claims for damage or destruction of your property, we'll pay the city or town a debt you may owe, before we'll pay you.

Municipal Tax Debts

Before we'll pay \$5,000 or more on a claim for damage or destruction of your real estate, you must give us a "certificate of municipal liens" from the tax collector of the city or town where your property is located. This certificate shows whether you owe any money for which the city or town can use the property as security (a lien) to repay the debt under Chapters 40, 59, 60, 80, 83, and 164, Sections 58B through 58F, of the Massachusetts General Law. This provision doesn't apply if the loss or damage was to a one-, two-, three-, or four-family house which you owned and used as your principal residence at the time the loss or damage occurred.

If you do owe the city or town any money under these laws, we'll repay your debt from the amount we would pay you for the claims. We'll repay the city or town debt before we'll pay anyone else claiming a share of the payment, unless federal law requires otherwise. This includes anyone with a right to receive payment as an insured owner or someone to whom the owner transferred their rights (an assignee) or someone to whom the owner gave a

mortgage on the property to secure a debt (a mortgagee). Since we'll make the payment based on what the certificate shows, we aren't responsible to anyone with an interest in the property if there's any error in the certificate.

Debts For Violations Of Building Health And Safety Laws

This provision applies if you make a claim for damage or destruction of a building or structure and:

- the claim is for \$1,000 or more; or
- the damage or destruction causes the building or structure to become dangerous, unused, unoccupied, abandoned, or open to the weather, as described in Chapter 143, Section 6, of the Massachusetts General Laws.

If you have this type of claim, we'll notify the Building Commissioner or Inspector of Buildings and The Board of Health or Board of Selectment of the city or town where the property is located at least 10 days before we'll pay on it. Then, if the city or town notifies us that, because you've violated building health and safety laws, it intends to start proceedings to hold the property as security ("perfect a Lien") to pay for your violations, we won't pay you until the proceedings are over. However, we'll pay you if the city or town doesn't start the proceedings within 30 days after we receive its notice. The city or town may try to obtain a lien for violations under Chapter 143, Sections 3A and 9, and Chapter 111, Section 127B, of the Massachusetts General Laws.

If the city or town can hold your property as security for these kind of violations it's entitled to be paid first from the amount we would pay you. We aren't responsible to anyone else with an interest in your property for payments we make under this provision.

Other Changes

Property Protection - Buildings That Are Vacant

If your policy includes property protection that contains a Buildings that are vacant section, the following is added to that section. But only for loss or damage caused by fire or lightning.

If your building where a loss occurred was vacant or unoccupied for a period of:

- 60 consecutive days for residential properties of three units or less; or
- 30 consecutive days for all other premises;

before the loss occurred, we won't pay for the loss. This applies regardless of whether or not the building had been intended for occupancy by either the owner or tenant.

Property Protection - If Your Building Is Mortgaged

If your policy includes property protection that contains an If Your Building Is Mortgaged section, the following is added to that section.

We'll make payments for losses to mortgage holders in order, according to the financial interest each has in the covered property.

Liquor Liability Protection - Cancellation

If your policy includes liquor liability protection, the following changes apply to that protection.

1. The following is added to the By us section in the Cancellation section of the General Rules.

However, if your policy has been in effect for 60 days or more, we may cancel by giving the first named insured written notice of cancellation at least 60 days before the effective date of cancellation. We're not required to give this notice if we cancel for:

- Nonpayment of premium; or
- The first named insured's loss of license.

But if your policy has been issued pursuant to section 64A, 64B or 67 of Mass. Gen. Law Ann., Chapter 138., we may cancel for nonpayment of premium by giving the first named insured written notice of cancellation at least 30 days before the effective date of cancellation.

2. The following is added to the Cancellation section of the General Rules.

Nonrenewal. If we decide not to renew your policy, we may do so by giving the first named insured written notice of our

intent not to renew at least 60 days before the expiration of the policy. We're not required to give this notice if we nonrenew for:

- Nonpayment of premium; or
- The first named insured's loss of license.

Other Terms

All other terms of your policy remain the same.

COMMERCIAL AUTO REQUIRED ENDORSEMENT - CALIFORNIA

This endorsement changes your policy to comply with, or otherwise respond to, California law.

Therefore, each change made by this endorsement applies only to the extent:

- required by California statutory or regulatory law; or
- specifically described in the part of this endorsement which makes that change.

As a result, if the address shown for you in the Introduction of your policy is outside California, each change that's made to comply with California statutory or regulatory law applies only if, and to the extent, your policy provides coverage for autos registered or mainly garaged in California and such statutory or regulatory law applies to such coverage.

Table of Contents	Page	How we can cancel policies in effect more than 60 days. If your policy has been in effect more than 60 days, or is a continuous or renewal policy, we can cancel only for the following reasons:
Cancellation	1	
Premiums	2	
Registered Domestic Partner	2	
Auto Or Garage Liability Protection - Limits Of Coverage	2	1. <i>Nonpayment of premium.</i> We can cancel if the first named insured fails to pay any premium or premium installment when due. This includes any installment of premium that was from a previous policy we issued that was due during the current policy period.
Auto Or Garage Liability Protection - Other Insurance	3	
Other Terms	3	

Cancellation

The Cancellation section of the General Rules is replaced by the following.

You can cancel this policy in whole or in part at any time.

How you can cancel. To cancel this policy or any of the insuring agreements, you must deliver the policy, or the part you want cancelled, to us or to any of our authorized agents. If this isn't possible, notify us by mail and include the date you want the policy or individual insuring agreement cancelled. You'll get a refund for the unused premium, less a charge for early cancellation.

How we can cancel policies in effect 60 days or less. If your policy has been in effect 60 days or less, and is not a renewal or continuous policy, we can cancel for any reason during this period. If we do, we'll mail or deliver a notice of cancellation to the first named insured. If we're canceling because of nonpayment of premium or because we discovered that any person insured by this policy has committed fraud either in obtaining this policy or in submitting a claim under this policy, we'll send at least 10 days before coverage will end. If we're canceling for any other reason we'll send at least 30 days notice before coverage will end. The notice will state the reason for cancellation.

2. *Fraud or misrepresentation.* We can cancel if we discover that any person insured by this policy has committed fraud or made a material misrepresentation either in obtaining this policy or in submitting a claim under this policy.
3. *Conviction of a crime.* We can cancel if you are convicted of a crime that increases any hazard you're insured against.
4. *Negligent acts.* We can cancel if we discover that you have committed a willful or extremely negligent act or omission that increases any hazard you're insured against.
5. *Failure to follow loss control requirements.* We may cancel if you or your representative fail to follow reasonable loss control requirements that you agreed to follow in order for us to issue your policy or give you certain premium rates.
6. *Determination by the Insurance Commissioner.* We can cancel this policy if the Commissioner Of Insurance determines that continuing this policy would put us in violation of California insurance laws, or jeopardize our being solvent. We can also cancel if the Insurance Commissioner determines that

any loss of or change in reinsurance that we have affecting this policy would threaten our financial position.

7. *Change in the risk.* We can cancel if, after we have issued or renewed your policy, a change occurs in the risk we're protecting that increases the hazard we're insuring against. But this doesn't apply to a change that was expected or foreseen by us when we issued your policy. Nor does this apply if:

- the insured is an educational, religious, or other non-profit organization, as described in Section 676.10(a) of the California Insurance code; and
- the change in risk involves one or more losses caused by a hate crime, as described in Section 676.10(c) of the California Insurance Code, committed against the person or property of the insured.

If we cancel for nonpayment of premium or fraud or misrepresentation as we have described above, we'll mail a cancellation notice at least 10 days before coverage will end. If we cancel for any other reason, we'll mail or deliver the notice to the first named insured and the agent who sold this policy at least 30 days before coverage will end. The notice will state the exact reason for cancellation.

Unused premium. If this policy is cancelled, we'll send the first named insured a refund of any unused premium. The refund will be figured on a pro rata basis. However, the refund may be less than pro rata if we made a loan to you for the purpose of payment of premiums for this policy. The cancellation will be effective even if we have not made or offered a refund.

Nonrenewal. If we decide not to renew or continue this policy, we'll mail a notice to the first named insured at least 60 days but not more than 120 days before the end of the policy period.

But we won't refuse to renew or continue this policy because of losses caused by a hate crime, as described in Section 676.10(c) of the California Insurance Code, committed against the person or property of the insured if the insured is an educational, religious, or other non-profit organization, as described in Section 676.10(a) of the California Insurance Code.

If state law requires us to give additional notices or changes our notice requirements, we will provide such additional notices or changes as needed.

If we offer to renew or continue your policy, and you don't accept, the policy will expire at the end of the policy period. If we offer to renew your policy, and you fail to pay the required premium when due, we'll consider this to mean that you don't accept our offer.

If we fail to send proper notice of nonrenewal and you obtain other insurance, this policy will end on the date the other insurance takes effect.

The notice will show the reason for nonrenewal.

Mailing the notice. Mailing the cancellation or nonrenewal notice to the first named insured's and agent's last address known to us will be considered proof you were notified.

Premiums

The following is added to the Additional or return premium section of the Premiums section of the General Rules and changes that section as described.

We'll refund a return premium of \$15 or less even if the first named insured doesn't request that we do so.

Registered Domestic Partner

Wherever the term spouse is used in any insuring agreement that is included in this policy, it is replaced by the phrase spouse or registered domestic partner under California law.

The definition of family member in any commercial auto insuring agreement that is included in this policy is replaced by the following definition:

Family members means persons who are related to an individual named insured by blood, adoption, marriage or registered domestic partnership under California law and live in such named insured's home. A ward or foster child who lives with the named insured is also considered to be a family member.

Auto Or Garage Liability Protection - Limits Of Coverage

The following paragraph is added to your Auto or Garage Liability Protection.

Limitations on amounts payable. Any amount payable under this coverage to the owner or driver of an uninsured motor vehicle will be reduced by amounts payable to a protected person under this policy's California Bodily Injury or Property Damage Uninsured Motorists Protection for the same accident.

Auto Or Garage Liability Protection - Other Insurance

The following is added to the Other Insurance section of your Auto or Garage Liability Protection. These changes replace any provisions to the contrary.

Autos. Two or more policies providing liability coverage may apply to an auto at the time of an accident, and:

- one provides coverage to a named insured in the business of selling, repairing, servicing, delivering, testing or road testing autos; and
- the other provides coverage to a person not engaged in that business.

If an accident happens involving an auto owned by the business described above but is driven by a person not engaged in such business, then that person's liability coverage is primary. The liability coverage issued to the business is excess over any coverage available to that person.

If an accident happens involving a person engaged in the above described business but is operating an auto not owned by such business, then the policy covering the business is primary. The liability coverage issued to the person not engaged in the business is excess over any coverage available to the business.

Commercial vehicle. Two or more policies providing liability coverage may apply to a commercial vehicle at the time of an accident, and:

- one provides coverage to a named insured who in the course of business, rents or leases commercial vehicles without operators; and
- the other provides coverage to a person not engaged in that business.

If an accident happens involving a person who:

- is not engaged in the above described business;
- is not the agent or employee of such named insured; and
- is operating a commercial vehicle provided by such business;

then that person's liability coverage is primary. The liability coverage issued to the business is excess over any coverage available to that person.

Commercial vehicle means an auto subject to registration or identification under California law which is:

- used or maintained for the transportation of persons for hire, compensation or profit;
- designed, used, or maintained primarily for the transportation of property; or
- leased for a period of six months or more.

Power unit and any connected trailer. Two or more policies providing liability coverage may apply to a power unit and any connected trailer or trailers at the time of an accident, and:

- one provides coverage to a named insured engaged in the business of transporting property by auto for hire; and
- the other provides coverage to a named insured not engaged in that business.

If an accident happens involving a power unit being operated by a person insured under coverage provided to the above described business then that coverage is primary for both the power unit and any connected trailer or trailers. The insuring agreement or policy providing coverage to a named insured not engaged in such business is excess over any coverage available to such power unit and attached trailer or trailers.

Other Terms

All other terms of your policy remain the same.

WHAT TO DO IF YOU HAVE A LOSS

This form applies if:

- your policy provides any property or other first-party protection and there's a loss that may be covered under that protection; or
- your policy provides any liability protection and there's an accident, act, error, event, incident, offense, or omission that may result in damages or other amounts which may be covered under that protection.

Coverage under your policy may be affected by any failure to fulfill any of the duties described in this form.

However, neither this form, nor any of these duties, change or eliminate any coverage condition or requirement, or exclusion or other coverage limitation, anywhere in the rest of your policy, such as:

- a specific coverage trigger, reporting, notice, or knowledge condition or requirement; or
- an exclusion or other coverage limitation that's based, all or in part, on knowledge.

This form and the rest of your policy should be read carefully to determine:

- the extent of the coverage provided by your policy; and
- the rights and duties of you and any other person or organization protected under your policy.

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anywhere in the USA at any time at the following toll-free telephone number to tell us this information:

1-800-238-6225

Also, our Internet web site is available from anywhere at any time at the following address to tell us this information:

travelers.com

If Your Policy Provides Property Or Other First-Party Protection

If your policy provides property or other first-party protection and there's a loss that may be covered under that protection, you must do all of the following in connection with that loss:

1. As soon as possible, tell us or one of our authorized representatives what happened. Include all of the following information:
 - The time, place, and specific nature of the loss.
 - The cause, or likely cause, of the loss.
 - A description of the property involved.
 - The name and address of each person known to be a witness.

Our United States of America (USA)
Claim Call Center is available from

2. Promptly notify the police if a law may have been broken.
3. Do what is reasonable and necessary to protect covered property from further damage or loss. Keep a record of any expenses you incur in taking such action for our possible consideration in any settlement of the loss.
4. Separate damaged property from undamaged property, if feasible, to enable examination by us.

At our request, make an inventory of damaged or lost property and mail, deliver, or otherwise give that inventory to us.

5. Cooperate with us in the investigation, or any settlement, of the loss.

Allow us, whenever we reasonably require, to:

- inspect property involved in or proving the loss;

- examine, and make copies of, your financial books and records relating to the loss; and
 - take samples of property, whether damaged or undamaged, for analysis or testing.
6. Allow us to examine you, or any other person or organization protected under your policy, while:
- under oath; and
 - not in the presence of any other person protected under your policy.

We may do this, whenever we reasonably require, about any matter relating to:

- your property or other first-party protection;
- the loss; or
- your financial books and records relating to the loss.

All persons or organizations protected under your policy that are examined in this manner must sign a copy of their responses.

7. Within 60 days after our request, you must mail, deliver, or otherwise give to us a signed, sworn proof of loss, using a form supplied by us that provides the information we need to consider whether the loss is covered by your policy.

Within 30 days after we reach agreement with you on what we owe for a covered loss, we'll pay that amount.

If Your Policy Provides Liability Protection

If your policy provides liability protection and there's an accident, act, error, event, incident, offense, or omission that may result in damages or other amounts which may be covered under that protection, you or any other person or organization protected under your policy must do all of the following in connection with that accident, act, error, event, incident, offense, or omission:

1. As soon as possible after having knowledge of the accident, act, error, event, incident, offense, or omission, tell us or one of our authorized representatives what happened. Do this even if no demand against you or any other person or organization protected under your policy has been made.

Include all of the following information that's reasonably available:

- The time, place, and specific nature of the accident, act, error, event, incident, offense, or omission.
- The type of demand that has been or may be made against you or any other person or organization protected under your policy.
- The name and address of each person or organization that may make a claim or bring a suit.
- The name and address of each person who may be a witness.
- The name and address of each person or organization that may be involved and is protected under your policy.

Our United States of America (USA) Claim Call Center is available from anywhere in the USA at any time at the following toll-free telephone number to tell us this information:

1-800-787-2851

Also, our Internet web site is available from anywhere at any time at the following address to tell us this information:

www.travelers.com

However, neither we nor any of our authorized representatives need to be told of an accident, act, error, event, incident, offense, or omission that first involves your workers compensation insurance unless the liability protection provided by your policy is likely to be involved.

2. Promptly notify the police if your policy provides auto liability protection and a covered auto under that protection is stolen.
3. As soon as possible after receiving them, mail, deliver, or otherwise give to us a copy of:
 - all written demands made; and
 - all legal documents relating to any suit brought;
 against you or any other person or organization protected under your policy.
4. Cooperate with and, when requested, assist us in:
 - securing and giving evidence;

- attending hearings and trials;
 - obtaining the attendance of witnesses; and
 - taking other reasonable steps to help us investigate or settle, or defend a person or organization protected under your policy against, a claim or suit.
5. Not assume any financial obligation or pay out any money, other than for first aid given to others at the time of an accident, without our consent.

When we consider you to have knowledge of an accident, act, error, event, incident, offense, or omission. If you're an individual, we'll consider you to have knowledge of an accident, act, error, event, incident, offense, or omission only if you have knowledge of it or any person has knowledge of it while he or she is your:

- spouse;
- employee and is or acts as your insurance or risk manager or holds a position in your insurance, risk management, or legal department; or
- employee, or authorized person, with a duty given by you to tell us, one of our authorized representatives, or any of the persons described above, about that accident, act, error, event, incident, offense, or omission.

If you're an organization, we'll consider you to have knowledge of an accident, act, error, event, incident, offense, or omission only if any person has knowledge of it while he or she is your:

- partner or co-venturer, or his or her spouse, if you're a partnership or joint venture;
- member or manager if you're a limited liability company;
- trustee if you're a trust;
- shareholder if you're a professional association;
- appointed or elected official if you're a public entity or tribal government;
- director or executive officer if you're a corporation or an other organization;
- employee and is or acts as your insurance or risk manager or holds a position in your insurance, risk management, or legal department; or
- employee, or authorized person, with a duty given by you to tell us, one of our authorized representatives, or any of the

persons described above, about that accident, act, error, event, incident, offense, or omission.

However, if:

- you're a partnership, joint venture, limited liability company, trust, or professional association; and
- any of your partners, co-venturers, members, trustees, or shareholders is an organization;

we'll also consider you to have knowledge of an accident, act, error, event, incident, offense, or omission if any person has knowledge of it while he or she is that organization's:

- partner or co-venturer if it's a partnership or joint venture;
- member or manager if it's a limited liability company;
- trustee if it's a trust;
- shareholder if it's a professional association;
- appointed or elected official if it's a public entity or tribal government; or
- director or executive officer if it's a corporation or an other organization.

When we consider other persons or organizations to have knowledge of an accident, act, error, event, incident, offense, or omission.

We'll consider any person or organization protected under your policy, other than you, to have knowledge of an accident, act, error, event, incident, offense, or omission if you or any of the persons described in the When we consider you to have knowledge of an accident, act, error, event, incident, offense, or omission section has knowledge of it.

Also, if any such other person protected under your policy is a sole proprietor, we'll consider that sole proprietor to also have knowledge of an accident, act, error, event, incident, offense, or omission if any person has knowledge of it while he or she is that sole proprietor's:

- employee and is or acts as its insurance or risk manager or holds a position in its insurance, risk management, or legal department; or
- employee, or authorized person, with a duty given by that sole proprietorship to tell that sole proprietor, any of the employees described above, that sole proprietorship's insurer, or one of that insurer's authorized representatives, about

that accident, act, error, event, incident, offense, or omission.

In addition, we'll consider any such organization protected under your policy to also have knowledge of an accident, act, error, event, incident, offense, or omission if any person has knowledge of it while he or she is that organization's:

- partner or co-venturer if it's a partnership or joint venture;
- member or manager if it's a limited liability company;
- trustee if it's a trust;
- shareholder if it's a professional association;
- appointed or elected official if it's a public entity or tribal government;
- director or executive officer if it's a corporation or an other organization;
- employee and is or acts as its insurance or risk manager or holds a position in its insurance, risk management, or legal department; or
- employee, or authorized person, with a duty given by that organization to tell its insurer, one of its insurer's authorized representatives, or any of the persons described above, about that accident, act, error, event, incident, offense, or omission.

Finally, if:

- any organization protected under your policy, other than you if you're an organization, is a partnership, joint venture, limited liability company, trust, or professional association; and
- any of its partners, co-venturers, members, trustees, or shareholders is an organization;

we'll also consider such organization that's protected under your policy to have knowledge of an accident, act, error, event, incident, offense, or omission if any person has knowledge of it while he or she is such partner, co-venturer, member, trustee, or shareholder organization's:

- partner or joint venture if it's a partnership or joint venture;
- member or manager if it's a limited liability company;
- trustee if it's a trust;
- shareholder if it's a professional association;
- appointed or elected official if it's a public entity or tribal government; or
- director or executive officer if it's a corporation or an other organization.